

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY
OF SANTA BARBARA ESTABLISHING AN AIR
SERVICE DEVELOPMENT INCENTIVE PROGRAM
TO SUPPORT THE DEVELOPMENT OF NEW AND
ADDED NONSTOP DESTINATIONS TO AIR
SERVICE AT THE SANTA BARBARA AIRPORT

WHEREAS, the City is the owner and operator of the Santa Barbara Airport (Airport);

WHEREAS, air service is vital to the economic growth, stability and quality of life of the City;

WHEREAS, the Airport is in competition with other airport operators to attract airlines to serve the Airport; and

WHEREAS, under the Policy and Procedures Concerning the Use of Airport Revenue issued by the Federal Aviation Administration (FAA) on February 16, 1999, the Airport can offer economic incentives to the airlines on a nondiscriminatory basis for a promotional period to attract airline service.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA THAT:

Section 1. The Council does hereby adopt and direct the Airport Director to execute an air service development incentive policy as outlined in more detail below:

- A. The Santa Barbara Airport will provide incentives to a new airline entrant to Santa Barbara Airport or an incumbent airline that provides new nonstop service to any destination that currently does not receive nonstop service from Santa Barbara. The new nonstop service must be one that has not been provided by that airline within the previous twelve (12) month period.
- B. Components of the program for a new entrant or incumbent airline that provides new nonstop service are:
 - 1. Waiver of landing fees applicable to the new nonstop service for a temporary period, not to exceed one year, beginning on the date of initiation of the new nonstop service.
 - 2. Marketing incentives for a promotional period, commencing upon announcement of new service extending through the first six months, not to exceed \$50,000.

- C. All media plans and other marketing plans must be approved by the Airport Director in order to qualify for payment. Payment for marketing activities will be placed by SBA to the media source, not the airline.
- D. Incentives shall be offered on a reasonable, nondiscriminatory basis to all airlines, taking into consideration all relevant factors. A waiver of any rate or charge shall apply only for the individual flights that provide the qualifying service. Should the airline receiving the incentive program reduce the frequency of the new service, a corresponding reduction to the incentives provided to that airline will be made to the incentive program.
- E. Incentives, other than a waiver of landing fees, such as marketing, advertising and/or public relations support, shall be instituted in a manner that, in addition to promoting the new service and/or airline, shall also promote the Santa Barbara Airport.
- F. The City may discontinue or change, for any reason and at any time, the Air Service Development Incentive Program, without notice to the airlines.